

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
LightSquared Subsidiary LLC Request for)	
Modification of Its Authority for an)	SAT-MOD-20101118-00239
Ancillary Terrestrial Component)	

REPLY COMMENTS OF RURAL CELLULAR ASSOCIATION

Rural Cellular Association (“RCA”)¹ hereby files these reply comments in the above-captioned proceeding. RCA supports LightSquared’s modification application, filed November 18, 2010,² that seeks to make Mobile Satellite Service (MSS)/Ancillary Terrestrial Component (ATC) dual-mode handsets available to its wholesale customers for this integrated service, but does not intend to require its wholesale customers to offer MSS/ATC dual-mode handsets to their own customers.³ LightSquared’s proposed wholesale service, deployed according to aggressive milestones established by the Commission,⁴ promises to provide RCA members with affordable access to a nationwide, robust, 4G LTE network. Considering all the obstacles rural and regional carriers face in the mobile broadband market, the FCC should not delay implementation of LightSquared’s competitive, alternative path to Fourth Generation (4G)

¹ RCA is an association representing the interests of nearly 100 regional and rural wireless licensees providing commercial services to subscribers throughout the Nation and licensed to serve more than 80 percent of the country. Most of RCA’s members serve fewer than 500,000 customers.

² *Ex Parte* Letter from Jeffrey J. Carlisle, Exec. V.P., Regulatory Affairs & Public Policy, LightSquared Subsidiary LLC, to Marlene H. Dortch, Secretary, FCC (Nov. 18, 2010) (“Light Squared Application”); FCC Public Notice, SAT-MOD-20101118-00239, Report No. SAT-00738 (rel. Nov. 19, 2010).

³ 47 C.F.R. § 25.149(b)(4).

⁴ *SkyTerra Communications, Inc., Transferor, and Harbinger Capital Partners Funds, Transferee, Applications for Consent to Transfer of Control of SkyTerra Subsidiary LLC*, 25 FCC Rcd 3059 (Int’l Bur. 2010) (“*Transfer of Control Order*”).

service. RCA supports the FCC's goal to accelerate terrestrial deployment of MSS spectrum.⁵

Accordingly, the Commission should continue to encourage the rapid deployment of LightSquared's network, which holds great promise for the competitive wireless services offered by rural carriers.

I. Rural Carriers Would Benefit from LightSquared's Nationwide Coverage and Wholesale Business Plan.

RCA's carrier members have deployed advanced wireless services in rural areas and other specific regions throughout the United States. RCA members face many challenges, including difficulties securing data roaming at reasonable terms and rates,⁶ the anti-competitive effects of handset exclusivity,⁷ the current cap and potential phase-down of much-needed USF support to deploy in remote or high-cost areas,⁸ and lack of interoperability in the 700 MHz spectrum band.⁹ Despite these challenges, RCA members have and will continue to provide the innovative, quality, cost-efficient services that rural and regional consumers enjoy and deserve.

⁵ Omnibus Broadband Initiative, FCC, CONNECTING AMERICA: THE NATIONAL BROADBAND PLAN at 87 (Mar. 16, 2010) ("Broadband Plan").

⁶ See *Ex Parte* Letter from Rebecca Murphy Thompson, RCA General Counsel, and Caressa D. Bennet, RTG General Counsel, to Marlene H. Dortch, Secretary, FCC, filed in WT Docket No. 05-265 (Nov. 12, 2010); see also RCA Comments, filed in WT Docket No. 05-265 (June 14, 2010); see also RCA Reply Comments, filed in WT Docket No. 05-265 (July 12, 2010).

⁷ See Petition for Rulemaking Regarding Exclusivity Arrangements between Commercial Wireless Carriers and Handset Manufacturers, Rural Cellular Association, filed in RM-11497 (May 20, 2008); see also *Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in RM-11497 (July 14, 2010); see also *Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in WC Docket No. 05-337; CC Docket No. 96-45; WT Docket No. 05-265; WT Docket No. 09-66; and RM-11592 (June 17, 2010).

⁸ *Connect America Fund, A National Broadband Plan for Our Future, High-Cost Universal Service Support*, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 05-337, Notice of Inquiry and Notice of Proposed Rulemaking, FCC 10-58, 2010 WL 1638319, rel. Apr. 21, 2010 ("NOI and NPRM"); see also RCA Comments, filed in WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 05-337 (July 12, 2010); see also RCA Reply Comments, filed in WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 05-337 (Aug. 11, 2010).

⁹ See 700 MHz Block A Good Faith Purchasers Alliance Petition for Rulemaking, filed in RM-11592 (Sept. 29, 2009) ("Petition"); see also RCA Comments at 19-20, filed in RM-11592 (March 31, 2010); see also Wireless Telecommunications Bureau Seeks Comment on Petition for Rulemaking Regarding 700 MHz Band Mobile Equipment Design and Procurement Practices, Public Notice, RM No. 11592, DA 10-278 (Feb. 18, 2010); see also *Ex Parte* Letter from Todd B. Lantor, Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in RM-11592 (March 12, 2010); see also *Ex Parte* Letter from Todd B. Lantor, Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in RM-11592 (April 9, 2010); see also *Ex Parte*

To compete with the large, dominant carriers, RCA members continue to explore new opportunities to implement 4G services and look to bring the benefits of new wireless technologies to their customers. The Commission is well aware of the obstacles highlighted above, having recognized them in the National Broadband Plan¹⁰ and the most recent Mobile Wireless Competition Report.¹¹ However, the FCC has failed to act. For example, RCA members invested hundreds of millions of dollars on Lower A Block 700 MHz licenses, which are served in the 3rd Generation Partnership Project (3GPP) established Band Class 12. After the auction, Verizon and AT&T created proprietary band classes through the non-governmental

Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in WC Docket No. 05-337; CC Docket No. 96-45; WT Docket No. 05-265; WT Docket No. 09-66; RM-11592 (June 17, 2010); *see* Comments of Rural Cellular Association, *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993; Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless including Commercial Mobile Services*; filed in WT Docket No. 10-133 (July 30, 2010); *see also Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in RM-11592 (filed Aug. 10, 2010); *see also Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in RM-11592; WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51; PS Docket No. 07-114 (Aug. 11, 2010); *see also Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in RM-11592; RM-11487; WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51 (Aug. 23, 2010); *see also* Doug Hyslop & Chris Helzer, *Wireless Strategy 700 MHz Upper Band Analysis* (May 10, 2010), *available in* Coalition for 4G in America, Written Ex Parte Presentation, filed in WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51 (May 10, 2010); *see also* Doug Hyslop & Chris Helzer, *Wireless Strategy 700 MHz Upper Band Analysis* (July 19, 2010), *available in* Coalition for 4G in America, Written Ex Parte Presentation, filed in WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51 (July 19, 2010); *see also* Doug Hyslop & Chris Helzer, *Wireless Strategy Lower 700 MHz Interference Management* (July 19, 2010), *available in* Coalition for 4G in America, Written Ex Parte Presentation, filed in WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51 (Sept. 20, 2010); *see also* Comments of the Coalition for 4G in America, *Public Safety and Homeland Security Bureau Seeks Comment on Increasing Public Safety Interoperability By Promoting Competition for Promoting Public Safety Communications Technologies*; filed in PS Docket No. 10-168 (Sept. 20, 2010); *see also Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in GN Docket No. 10-188; RM-11592 (Oct. 27, 2010); *see also Ex Parte* Letter from Charles W. Logan, Counsel to Access Spectrum, LLC, to Marlene H. Dortch, Secretary, FCC, filed in WT Docket No. 06-150; PS Docket No. 06-229; GN Docket No. 09-51; RM-11592 (Dec. 2, 2010); *see also Ex Parte* Letter from Rebecca Murphy Thompson, General Counsel for Rural Cellular Association, to Marlene H. Dortch, Secretary, FCC, filed in GN Docket No. 10-188; RM-11592 (Dec. 7, 2010).

¹⁰ Broadband Plan at 49; *see also* Matthew Lasar, “Genachowski: FCC Will Probe Exclusive Handset Deals,” ARS TECHNICA, June 21, 2009, *available at* <http://arstechnica.com/tech-policy/news/2009/06/genachowski-tells-kerry-hell-probe-wireless-handsets-and-lots-more-ars>; *see also* Reexamination of Roaming Obligations of Commercial Mobile Radio Service Providers, WT Docket No. 05-265, Report and Order and Further Notice of Proposed Rulemaking, 22 FCC Rcd 15817 (2007).

¹¹ *See Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report and Analysis of Competitive Market Conditions With Respect to Mobile Wireless, Including Commercial Mobile Services*, WT Docket No. 09-66, Fourteenth Report, FCC 10-81 (May 20, 2010) (*Fourteenth Report*).

3GPP process. In the absence of required interoperability across the 700 MHz band, there are few pathways to the development of handsets that will operate in their band class.¹² RCA members have had to seek alternative measures to deploy LTE services and provide rural and regional consumers 4G mobile broadband service.

LightSquared plans to offer one of these alternatives by deploying a network and wholesaling service to wireless operators, including RCA members. As evidenced in LightSquared's FCC applications, the company's offering will allow access to both a terrestrial 4G LTE network covering over 90% of the country and a next-generation satellite network providing ubiquitous service throughout the entire United States.¹³ LightSquared will operate only as a wholesaler, providing open access to wireless operators.¹⁴ Accordingly, rural carriers that already make significant investments in their own networks could use LightSquared's network as a way of gaining affordable access to nationwide broadband data coverage.

According to LightSquared's filing, LightSquared has made commitments to the FCC to ensure it will continue to market and provide robust mobile satellite services, will regularly report device sales, and will continue to sell satellite-only service.¹⁵ LightSquared's commitments, together with the attractiveness of an integrated MSS/ATC service to rural service providers, give ample assurance that the mobile broadband subscriber utilizing the service will continue to receive the benefits of an integrated MSS/ATC offering, as intended by the Commission's integrated service requirement.¹⁶

¹² See *supra* note 8.

¹³ *Transfer of Control Order*, ¶¶ 68-70.

¹⁴ *Id.*

¹⁵ LightSquared Application at 7-9.

¹⁶ *Flexibility for Delivery of Communications by Mobile Satellite Service Providers, Report & Order*, 18 FCC Rcd 1962, 2009 (2003).

In short, rural and regional carriers and the consumers they serve deserve better 4G service options, and should have access when using these options to the same device portfolio that other carriers may offer. If approved, LightSquared's application will allow its wholesale customers, including RCA members, flexibility to offer terrestrial-only plans to their own consumers. LightSquared's application represents a significant step forward in this respect and should be approved.

II. The Commission Should Not Defer Action on LightSquared's Application to the MSS Rulemaking Proceeding.

Parties opposing LightSquared's application argue that the Commission must defer action on LightSquared's application to the Commission's current proceeding exploring flexibility for MSS services because the issue is more appropriately addressed in the Commission's current MSS proceeding.¹⁷ However, such action would unnecessarily delay the introduction of 4G wireless broadband service that would help to promote a competitive marketplace. The FCC should promptly grant LightSquared's application. For one reason, the FCC is not currently considering any changes to the MSS/ATC gating criteria in the pending MSS rulemaking. Rather, the MSS Notice of Proposed Rulemaking (NPRM) addresses only two discrete issues: (1) the application of the secondary market rules to MSS spectrum; and (2) a rule change permitting a terrestrial mobile service allocation in S-band. In response to the FCC's Notice of Inquiry (NoI) in the same proceeding, Cricket, Globalstar, Inmarsat and T-Mobile proposed a modification or elimination of the integrated service requirement.¹⁸ But RCA does

¹⁷ AT&T Comments at 4-10; CTIA Comments at 6-8; Iridium Comments at 4-5; U.S. GPS Industry Council Comments at 5; Verizon Comment at 9; WCAI Petition to Deny at 10-13; *see Fixed and Mobile Services in the Mobile Satellite Service Bands at 1525-1559 MHz and 1626.5-1660.5 MHz, 1610-1626.5 MHz and 2483.5-2500 MHz, and 2000-2020 MHz and 2180-2200 MHz*, 25 FCC Rcd 9481 (2010).

¹⁸ *See Fixed and Mobile Services in the Mobile Satellite Service Bands*, Notice of Proposed Rulemaking and Notice of Inquiry, ET Docket No. 10-142, 25 FCC Rcd 9481 (2010); Comments of Cricket Communications, Inc. (Sep. 15,

not anticipate the FCC making these changes in the near term. And if the FCC were to adopt an NPRM, the subsequent rulemaking process would take a significant amount of time. This is particularly true if further MSS flexibility depends on the introduction of incentive auctions, which would require legislative action, in addition to the requisite administrative and regulatory procedures. Accordingly, the FCC should grant LightSquared's modification application to allow rural and regional carriers another path to providing competitive 4G service. The alternative of a delay would benefit only the largest wireless carriers by restricting the device options available to rural carriers who may wish to use LightSquared as a 4G service option. LightSquared's application presents only an issue regarding the application of *current* rules, eviscerating the need for any delay in deciding the issue. The Commission created the MSS/ATC integrated service requirement seven years ago and explicitly allowed carriers to provide an integrated service without offering 100% dual-mode devices. LightSquared has made the requisite showing and therefore, the Commission should act on LightSquared's application without further delay.

2010); Reply Comments of Globalstar, Inc. (Sep. 30, 2010); Comments of Inmarsat (Sep. 15, 2010); Reply Comments of T-Mobile USA, Inc. (Sep. 30 2010).

The FCC should continue to implement its recommendation in the National Broadband Plan to accelerate terrestrial deployment of MSS spectrum¹⁹ so that LightSquared may provide RCA members with an alternative measure to deploy 4G LTE services in rural America. For this reason and the reasons discussed above, RCA requests that the Commission expeditiously grant LightSquared's application to allow the company to provide whole 4G MSS/ ATC service to RCA members.

Respectfully submitted,



Rebecca Murphy Thompson
General Counsel



The Voice of Rural & Regional Carriers

805 15th Street, N.W., Suite 401
Washington, DC 20005
(202) 449-9866

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¹⁹ Broadband Plan at 87.